



**Pacific Gas and
Electric Company**
Power Generation
Fossil Plant Construction

Gateway Generating Station
3225 Wilbur Ave.
Antioch, CA 94509
(925) 459-7200

November 14, 2007
GGS-L-00037C

GGS Compliance Log # 2007-031

Mr. Ron Yasny
California Energy Commission
1516 Ninth Street, MS-2000
Sacramento, CA 95814

Subject: Gateway Generating Station (Docket 00-AFC-1C)
Petition to Modify the Gateway Generating Station Project Final Decision to Add Two New Tanks

Dear Mr. Yasny:

Enclosed is Pacific Gas & Electric Company's petition to amend the California Energy Commission's license for the Gateway Generating Station to add two new water tanks to the project description. These new tanks are related to the project's service supply water and wastewater discharge.

In Section 8 of the attached Petition, PG&E has requested that the CEC process the amendment as an insignificant project change. As proposed, the project modifications will not result in any significant environmental impacts that were not already identified during the original licensing proceeding for the project or during the CEC's review and approval of the dry cooling amendment that was filed by PG&E earlier this year. All applicable laws, ordinances, regulations, and standards will be complied with during the construction and operation of the new tanks, and only one Condition of Certification (GEN-2) needs to be modified to add the new equipment to the listing required by the condition.

If you have any questions regarding this petition, please contact me at (916) 780-1171.

Sincerely,

A handwritten signature in purple ink that reads "Andrea E. Grenier".

Andrea E. Grenier

Enclosure
AEG/aeg

cc: Tom Allen, GGS Project Manager
Scott Galati, Galati & Blek LLP
Jerry Salamy, CH2MHill
GGS Document Control

**Petition to Modify the Final Decision to
Add Two New Water Tanks to the
Gateway Generating Station Project**

Submitted to the
California Energy Commission

November 14, 2007

Submitted by
Pacific Gas and Electric Company



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Introduction

1.1. Background

Pacific Gas & Electric Company (PG&E) is currently in the process of constructing the Gateway Generating Station project in Antioch, California. Project construction began in February 2007 and is well underway. Commercial operation of the plant is expected to occur by early 2009.

The purpose of this petition is to request an amendment to the Final Decision for the Gateway Generating Station Project to add two new water tanks related to the project's service water and discharge. The need for the new tanks was not known when PG&E filed its dry cooling amendment in January 2007.

1.2. Description of Proposed Amendment

Two new above ground tanks need to be added to the Gateway Generating Station project site: a new 100,000 gallon supply service tank and a new 40,000 gallon wastewater tank. The site configuration diagram (Figure 1) shows the proposed location for the two new tanks, which will be placed in the same area as the fire/service water and demin water storage tanks just south of the ACC structure. These tanks are needed to meet the needs of the water supply purveyor and wastewater discharge receiver. More detailed information on the new tanks is provided in Section 2 of this Petition.

1.3. Summary of Environmental Impacts

Section 1769 (a)(1)(E) of the CEC Siting Regulations requires that an analysis be conducted that addresses impacts that the modification might have on the environment and proposed measures to mitigate any significant adverse impacts. In addition, Section 1769 (a)(1)(F) of the Siting Regulations requires a discussion of the impacts the modification might have on the project's ability to comply with applicable laws, ordinances, regulations and standards (LORS).

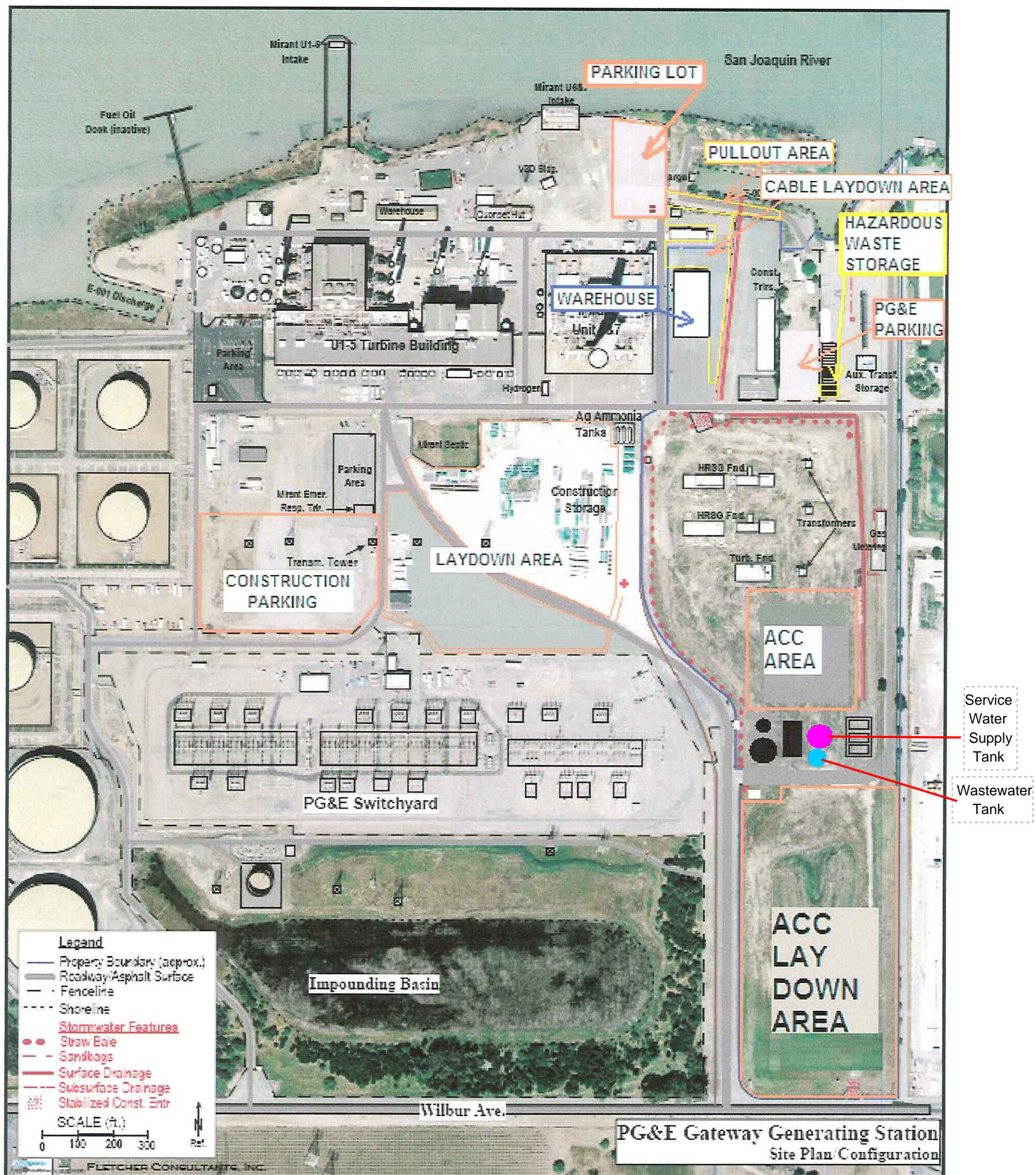
The proposed changes referenced in this Petition will not result in any additional potential significant impacts beyond those already identified in the original Final Decision and the dry cooling related changes approved by the CEC on August 1, 2007. Section 3 of this Amendment discusses the potential environmental impacts of the proposed project design changes and concludes that there will be no significant environmental impacts associated with the Amendment and that the project as amended will comply with applicable LORS.

1.4. Consistency of Amendment with Project License

Section 1769 (a)(1)(D) of the CEC Siting Regulations requires a discussion of the Amendment's consistency with the LORS and whether the modifications are based upon new information that changes or undermines the assumptions, rationale, findings, or other bases of the final decision. If the project is no longer consistent with the license, an explanation why the modification should be permitted must be provided. In the sections that follow, PG&E will provide an explanation of the proposed modification, rationale for the modification, and a LORS compliance analysis. The only change to the CEC Conditions of Certification is to add the new tanks to the list of equipment presented in Condition of Certification GEN-2.

The remainder of this petition presents a detailed project description (Section 2), environmental analysis of the proposed project changes (Section 3), proposed modifications to the Condition of Certification (Section 4), potential effects on the public (Section 5), a list of property owners potentially impacted by the proposed changes (Section 6), and potential effects on the property owners (Section 7). PG&E's request that this Petition be processed as an insignificant project change is discussed in Section 8.

FIGURE 1: LOCATION OF PROPOSED WATER TANKS



SECTION 2

Description of Project Amendment

Consistent with California Energy Commission Siting Regulations, Section 1769 (a)(1)(A) and 1769(a)(1)(B), this section includes a complete description of the project modifications, as well as the necessity for the amendment.

2.1 Project Description Modifications

2.1.1 Service Water Supply Tank

Black & Veatch Construction Inc. is performing as PG&E's engineering, procurement, and construction (EPC) contractor for the Gateway Generating Station Project. During the design process, BVCI identified a corrosion concern related to collecting and reusing boiler blow down in the fire/service water tank, which could limit the project's ability to minimize plant water usage. At the direction of PG&E, BVCI investigated several alternative water balance/system design options intended to maximize the recovery of the plants boiler blowdown and other clean waste water, reducing potable water consumption and the amount of wastewater discharged to the Delta Diablo Sanitation District (DDSD). The preferred option was to add a new service water storage tank to eliminate the need to discharge boiler blowdown during certain operating conditions and to allow for the reuse of this water.

The new supply service tank will be sized to hold up to 100,000 gallons and will be located in the same area as the service/fire water and demin water storage tanks, just south of the air cooled condenser (ACC) (see Figure 1). The dimensions of the service supply tank are approximately 29 feet in diameter and 22 feet high; the tank will be back dropped by the ACC structure, which is approximately 281 feet wide and 130 feet high. The piping associated with the service water supply tank is an internal loop system and will not require any additional linear piping segments out to Wilbur Avenue. The service supply tank will be constructed in January 2008.

2.1.2 Wastewater Storage Tank

During commercial operation, the Gateway Generating Station will generate the largest amount of wastewater during the first two hours of the normal startup process (approximately 365 gpm). BVCI has proposed that a wastewater storage tank be added to the project to allow the high volume of blowdown to be stored in an onsite tank; the wastewater can then be released at a lower and steady rate throughout the day. By installing this tank, PG&E will avoid the need to build a much larger linear discharge pipeline. The wastewater storage tank will also be a benefit for DDSD's wastewater

treatment facility, as DDSO prefers to receive and treat a smaller and steady volume of effluent rather than having to treat a large volume in a short period of time.

The wastewater storage tank will be sized to hold approximately 40,000 gallons of wastewater. The tank will be located in the same area as the previously approved tanks (one service/fire water tank and one demin water storage tank) that will be located just south of the air cooled condenser (ACC). The dimensions of the wastewater tank will be approximately 21 feet in diameter and 18 feet high and will be back dropped by the ACC structure. The discharge piping associated with the wastewater storage tank will be placed underground in the same trench as the fire/service water line; the pipe will connect to the City of Antioch sewer main located in Wilbur Avenue directly in front of the GGS project site. The wastewater storage tank will be constructed in January 2008.

2.2 Necessity of Proposed Change

Section 1769 (a)(1)(B) and 1769(a)(1)(C) of the CEC Siting Regulations require a discussion of the necessity for the proposed changes to the project and whether this modification is based on information that was known by the petitioner during the certification proceeding. During the preparation, review, and approval of PG&E's dry cooling amendment, it was not known that project operations would benefit from the addition of the new tanks.

SECTION 3

Environmental Analysis of the Project Changes

The proposed project changes set forth in this Amendment will allow PG&E to operate the Gateway Generating Station in a more efficient manner, help eliminate corrosivity concerns raised by the design engineers associated with cycling of the boiler blowdown water, and provide a way to deliver a steady state of effluent to DDSD for disposal. The new tanks will be placed within the plant site footprint already approved by the CEC and will be constructed in the same general manner as the fire/service water and demin water tanks.

Our review of the CEC Final Decision indicates that only one condition need to be changed to allow the construction and operation of these new water tanks (GEN-2). The addition of the two tanks would not result in any new significant impacts that were not already identified and analyzed by the CEC in the original licensing process or the approval of the ACC amendment. Due to their location immediately south of the ACC structure, the new tanks will not be viewed by the Sportsmen's Yacht Club or the San Joaquin Yacht Harbor. Viewers along Wilbur will not see any significant difference from the originally approved project, as landscape screening along the southern property boundary will ultimately screen the tank area. No impacts to water resources will occur and in fact both tanks will provide benefits related to reduced potable water consumption and more practical releases of effluent to DDSD for treatment.

No construction impacts associated with the new tanks will occur that were not already analyzed during the original licensing proceeding or during the review and approval of the Gateway dry cooling amendment. Similarly, the operation of the new tanks will not alter the operational impact analysis that was used as the basis to license the project.

The Commission Decision certifying the Project concluded that the project complied with all applicable laws, ordinances, regulations, and standards. Compliance with these LORS will be enforced during the construction and operation phases of the project as required by the CEC Final Decision.

This Amendment will not change the assumptions or conclusions made in the Commission Decisions the proposed design changes will not result in cumulative impacts not already analyzed by the Commission.

SECTION 4

Proposed Modifications to the Conditions of Certification

In compliance with the requirements of the CEC Siting Regulations Section 1769 (a)(1)(A), PG&E has reviewed the CEC Final Decision and has determined that only GEN-2 needs to be amended to allow the construction and operation of the new tanks. The addition of the two tanks would not result in any new significant impacts that were not already identified and analyzed by the CEC in the original licensing process or the approval of the dry cooling amendment.

SECTION 5

Potential Effects on the Public

Consistent with the requirements of the CEC Siting Regulations Section 1769 (a)(1)(G), this section addresses the proposed Amendment's effects on the public.

The proposed project design changes are not expected to result in a significant environmental impact and will increase the electrical supply to PG&E's customer base, increasing the electrical system reliability. Therefore, impacts to the public are expected to be equal or lower than those analyzed during the license proceeding for the project.

SECTION 6

List of Property Owners

Consistent with the CEC Siting Regulations Section 1769(a)(1)(H), this section lists the property owners affected by the proposed modifications are presented in the appendix.

SECTION 7

Potential Effects on Property Owners

Consistent with the CEC Siting Regulations Section 1769(a)(1)(I), this section addresses potential effects of the proposed Amendment on nearby property owners, the public, and parties in the application proceeding.

The proposed project design changes are not expected to result in any significant environmental impacts due to the addition of the new tanks. Therefore, impacts to property owners are expected to be equal to or lower than those analyzed during the license proceeding for the project. The operational impacts of the proposed design changes will not result in significant unmitigated environmental impacts.

SECTION 8

Request for Processing as an Insignificant Project Change

Section 1769(a)(2) allows the Project Owner to request that a petition be processed by CEC Staff as an insignificant project change. PG&E therefore requests that this amendment be processed as an insignificant project change because the changes discussed herein will not have a significant effect on the environment, and the modifications will only result in a minor change to one Condition of Certification to add the new equipment to the listing required by GEN-2.

APPENDIX

List of Property Owners within 1,000 Feet of the Project Site

051 031 014
Southern Energy Delta Llc
1350 Treat Blvd #500
Walnut Creek CA 94597

037 020 012
Ei Du Pont De Nemours & Co
Po Box 1039
Wilmington DE 19899

037 040 007
OXFOOT ASSOCIATES LLC
24737 Arnold Dr
Sonoma CA 95476

037 040 015
OXFOOT ASSOCIATES LLC
24737 Arnold Dr
Sonoma CA 95476

051 031 003
STATE OF CALIFORNIA
Po Box 7791
San Francisco CA 94120

051 031 004
STATE OF CALIFORNIA
Po Box 7791
San Francisco CA 94120

051 031 005
GAYLORD CONTAINER
CORPORATION
Po Box 1149
Austin TX 78767

051 031 007
STATE OF CALIFORNIA
Po Box 7791
San Francisco CA 94120

051 031 015
PACIFIC GAS & ELECTRIC CO
Po Box 770000
San Francisco CA 94177

051 032 004
Tony Cutino
4030 Saint Marys St
Martinez CA 94553

051 032 005
Tony Cutino
4030 Saint Marys St
Martinez CA 94553

051 032 006
Tony Cutino
4030 Saint Marys St
Martinez CA 94553

051 032 007
Tony Cutino
4030 Saint Marys St
Martinez CA 94553

051 032 009
Roy A Cunha
Po Box 23893
Pleasant Hill CA 94523

051 032 011
John A & Lana S Martinez
3000 Wilbur Ave
Antioch CA 94509

051 032 013
Randy W & Cani L Christ
Po Box 1163
Brentwood CA 94513

051 040 009
Tommy L & Dorothy M Hampton
480 Fleming Ln
Antioch CA 94509

051 040 019
Linda McDaniel
3307 Wilbur Ave
Antioch CA 94509

051 040 023
Lloyd Q Fleming
415 Fleming Ln
Antioch CA 94509

051 040 035
Wallace & Judith Gibson
Po Box 20697
El Sobrante CA 94820

051 040 041
Michael R & Kimberly Wiley
Po Box 670
Oakley CA 94561

051 040 044
STATE OF CALIFORNIA
Po Box 7791
San Francisco CA 94120

051 040 048
Linda McDaniel
3307 Wilbur Ave
Antioch CA 94509

051 040 049
Linda McDaniel
3307 Wilbur Ave
Antioch CA 94509

051 040 056
Michael G & Nancy F McKim
5600 Oak Knoll Rd
El Sobrante CA 94803

051 040 063
John E & Lillian A Whalen
6003 Horsemans Canyon Dr
Walnut Creek CA 94595

051 040 064
Daniel M & Shari D Grady
3361 Pebble Beach Ct
Fairfield CA 94534

051 040 065
SPORTSMEN INC
Po Box 518
Antioch CA 94509

051 040 066
Mechanical Co Monterey
8275 San Leandro St
Oakland CA 94621

051 040 069
Trailer Storage Antioch
2120 American Canyon Rd
American Canyon CA 94503

051 040 070
Virginia H Fleming
415 Fleming Ln
Antioch CA 94509

051 040 071
Trailer Storage Antioch
2120 American Canyon Rd
American Canyon CA 94503

051 040 072
WILBUR AVENUE LLC
PO Box 31114
Walnut Creek CA 94598

051 040 073
KIEWIT CONSTRUCTION GROUP
INC
3555 Farnam St #1000
Omaha NE 68131

051 051 015
Norman P Jr & Edith Olsen
1308 W 7th St
Antioch CA 94509

051 051 018
Thomas M Oneil
333 Chardonnay Cir
Clayton CA 94517

051 051 019
Frank C Sr & Helen Alegre
2000 Edgewood Dr
Lodi CA 95242

051 051 021
GWF POWER SYSTEMS COMPANY
4300 Railroad Ave
Pittsburg CA 94565

051 051 023
Delta Diablo Sanitation Dist
2500 Pittsburg Antioch Hwy
Antioch CA 94509

051 051 024
Delta Diablo Sanitation Dist
2500 Pittsburg Antioch Hwy
Antioch CA 94509

051 052 007
Frank D & Jo Ann Evangelho
897 Oak Park Blvd #288
Pismo Beach CA 93449

051 052 008
City of Antioch
Po Box 5007
Antioch CA 94531

051 052 049
Kenneth P Jr Graunstadt
2200 Hoffman Ln
Byron CA 94514

051 052 053
SANDY LANE PROPERTIES
361 Sandy Ln
Oakley CA 94561

051 052 056
GAYLORD CONTAINER
CORPORATION
Po Box 1149
Austin TX 78767

051 052 096
ANTIOCH CITY OF
Po Box 5007
Antioch CA 94531

051 052 099
Stamm-Balocco Storage Llc
Po Box 633
Antioch CA 94509

051 052 100
City of Antioch
Po Box 5007
Antioch CA 94531

051 052 101
BELLECCI FAMILY
4030 Saint Marys St
Martinez CA 94553

051 052 110
Tony Cutino
4030 St Marys St
Martinez CA 94553

051 052 111
Tony Cutino
4030 St Marys St
Martinez CA 94553

051 082 003
John M & Bea Wadkins
1473 Walnut Ave
Antioch CA 94509

051 082 004
Johnny W & Alice I Strawther
1957 Santa Fe Ave
Antioch CA 94509

051 082 005
James Jr & Marcilynn Kennard
1915 Santa Fe Ave
Antioch CA 94509

051 082 010
SANDY LANE PROPERTIES
361 Sandy Ln
Oakley CA 94561

051 082 011
Brian & Kimberly Bogart
1939 Santa Fe Ave
Antioch CA 94509

051 250 001
STATE OF CALIFORNIA
Po Box 7791
San Francisco CA 94120